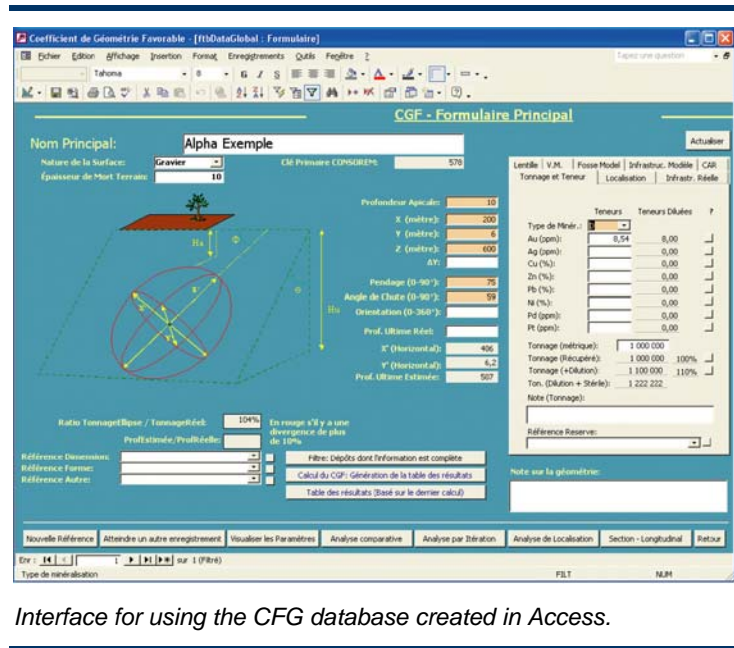


## Project 2003-4: Coefficient of favourable geometry for exploration targets (phase 2)

The coefficient of favourable geometry (CFG) is a decision-making tool to assess the economic “favourability” of an exploration project at an early stage of development. It was created especially for the Abitibi region by using a simplified representation of every deposit in the region. The representation is ellipsoid in shape and allows comparison with an exploration project as soon as drilling data are sufficient for estimating a shape in a longitudinal section.

The ellipsoid model can be adapted to a variety of deposit types; the variables for the geometric representation are the apical depth of the mineralised body, its ultimate depth, its thickness, and the dip and plunge in a reference plane that could be layering or schistosity.

The ellipsoidal representation of historical deposits can be used to estimate a current economic value based on the type of mining operation and some basic infrastructure.



Interface for using the CFG database created in Access.

It is therefore possible to compare a deposit or a prospect under development to deposits with similar geometry and to judge, based on the knowledge of older deposits, if the project is potentially profitable. This tool can also estimate the minimum tonnage needed to develop similar geometric parameters to those of the chosen model.

| Summary: Project 2003-4 |   |
|-------------------------|---|
| Objectives              | <ul style="list-style-type: none"> <li>To develop a tool for estimating the economic viability of a deposit at an early stage of development</li> </ul>   |
| Results                 | <ul style="list-style-type: none"> <li>Modelling of deposits based on simple geometric shapes.</li> <li>Modelling of infrastructure and resource access costs (RAC).</li> <li>Instantaneous establishment of profitability.</li> <li>Evaluation of geometrical favourability by the sampling of historical production.</li> </ul> |
| Tools and Innovations   | <ul style="list-style-type: none"> <li>New methodology for evaluating an exploration project.</li> <li>Geometric modelling of deposits.</li> <li>Decision-making tool.</li> </ul>   |